



# Federal (PBSA) LIF Quick Reference Guide

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This document is provided as a quick reference to support day-to-day processing. It does not replace official policies or procedures, and additional requirements may apply depending on the circumstances. When in doubt, please reach out to League Savings and Mortgage for guidance.

## 1. Overview

- Federal LIF governed under the Pension Benefits Standards Act, 1985 (PBSA, 1985).

## 2. Transfer-In Requirements

- No minimum age required.
- Registered Transfer Form sent to original FI.
- RRIF Application package completed, including a direct deposit form or void cheque.
- Federal LIF Addendum completed for LIF. Federal RLIF Addendum completed for RLIF.

## 3. Special Withdrawals

### Fees

- All unlocking requests subject to applicable unlocking fees.
- Redemption fees may apply for funds withdrawn.
- Refer to deposit disclosure for applicable additional fees.

### Partial Unlocking

- Available only under RLIF (not LIF).
- Can transfer funds from a LIF to an RLIF to complete this partial unlocking. (if so, RRIF application and RLIF Addendum required)
- Annuitant must be at least 55 years old in the year of application.
- Up to 50% of funds transferred into a new RLIF from a Locked-in RRSP, LIF, or RPP may be unlocked.
- Application must be made within 60 days of RLIF establishment.
- Complete Application to Transfer up to 50% into an RLIF
- Spousal consent required with form 2
- Funds may be received as:
  - Transfer to RRSP contract – RRSP application required unless annuitant has existing RRSP contract.



## LEAGUE SAVINGS AND MORTGAGE

- Transfer to RRIF contract – RRIF application required unless annuitant has existing RRIF contract.

### Shortened Life Expectancy

- Life expectancy considerably shortened due to mental or physical disability.
- Annuitant submits written request for release of funds.
- Physician completes Certification of Shortened Life Expectancy.
- Spousal consent not required.
- Funds may be received as:
  - Cash withdrawal – RRIF Withdrawal form required and withholding taxes will be held.
  - Transfer to RRSP contract – RRSP application required unless annuitant has existing RRSP contract.
  - Transfer to RRIF contract – RRIF application required unless annuitant has existing RRIF contract.

### Release of Small Amounts

- Total locked-in funds under Federal PBSA must be less than 50% of YMPE.
- Annuitant must be at least 55 years old.
- Complete Form 3 – Attestation of Total Amount Held.
- Complete Form 2 – Attestation Regarding Spouse/Common-law Partner.
- Funds may be received as:
  - Cash withdrawal – RRIF Withdrawal form required and withholding taxes will be held.
  - Transfer to RRSP contract – RRSP application required unless annuitant has existing RRSP contract.
  - Transfer to RRIF contract – RRIF application required unless annuitant has existing RRIF contract.

### Release to Non-residents

- Annuitant must have ceased residency in Canada for at least 2 calendar years.
- Complete Declaration of Non-Residency
- Spousal consent not required.
- Funds may be received as a cash withdrawal – RRSP Withdrawal form required and withholding taxes will be held.

### Financial Hardship

- Withdrawals may be made for one or both conditions, but total amount withdrawn must be less than 50% of YMPE.
- Form 1 completed.
- Spouse consent required with Form 2



## LEAGUE SAVINGS AND MORTGAGE

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  - Transfer to RRSP contract – RRSP application required unless annuitant has existing RRSP contract.
  - Transfer to RRIF contract – RRIF application required unless annuitant has existing RRIF contract.

### Medical or Disability Related Expenditures

- Must exceed 20% of annuitant's income during the year; physician certification required.

### Low Income

- Expected income must be less than 75% of YMPE for the current calendar year.